

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**SB 2440 - HB 2569**

March 18, 2022

**SUMMARY OF BILL AS AMENDED (016046):** Prohibits the state, a political subdivision of the state, a public higher education system, a local education agency, a public charter school, and any other entity or instrumentality of the state from discriminating against, or granting preferential treatment to, an individual or group based on the individual's or group's race, sex, color, ethnicity, or national origin in the operation of any aspect of public employment, public education, or public contracting. Grants a person aggrieved by a violation of the proposed legislation a private right of action against the state. Applies only to contracts executed, renewed, or amended on or after July 1, 2022.

**FISCAL IMPACT OF BILL AS AMENDED:**

**NOT SIGNIFICANT**

Assumptions for the bill as amended:

- Under current law, pursuant to Tenn. Code Ann. § 4-21-401(a), it is a discriminatory practice to fail or refuse to hire or discharge any person or otherwise to discriminate against an individual with respect to compensation, terms, conditions or privileges of employment because of such individual's race, creed, color, religion, sex, age or national origin.
- Title VI of the *Civil Rights Act of 1964* prohibits a person, on the ground of race, color, or national origin, from being excluded from participation in, being denied the benefits of, or being subjected to discrimination under any program or activity receiving federal financial assistance, including public school districts and public higher education systems.
- Title XI of the Education Amendments of 1972 prohibits a person, on the basis of sex, from being excluded from participation in, being denied the benefits of, or being subjected to discrimination under any education program or activity receiving federal financial assistance.
- It is assumed that the state, and any entity or instrumentality of the state, does not utilize discriminatory practices in employment, education, or contracting.
- The proposed language does not prohibit an action required to establish or maintain eligibility for any federal program or federally funded program where ineligibility would result in a loss of federal funds to the state.

- The proposed language does not preempt any state law in existence that provides a preference to an individual or group of individuals with respect to public contracting and the procurement of public contracts.
- There is not estimated to be a significant increase in private actions against the state as a result of this legislation.
- The operations of the Human Rights Commission will not be impacted.
- Any fiscal impact is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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